



CITY OF CARLSBAD – AGENDA BILL

AB# _____	REPORT ON CITY INVESTMENTS	DEPT. HEAD _____
MTG. _____	AS OF JUNE 30, 2007	CITY ATTY. _____
DEPT. TRS		CITY MGR. _____

RECOMMENDED ACTION:

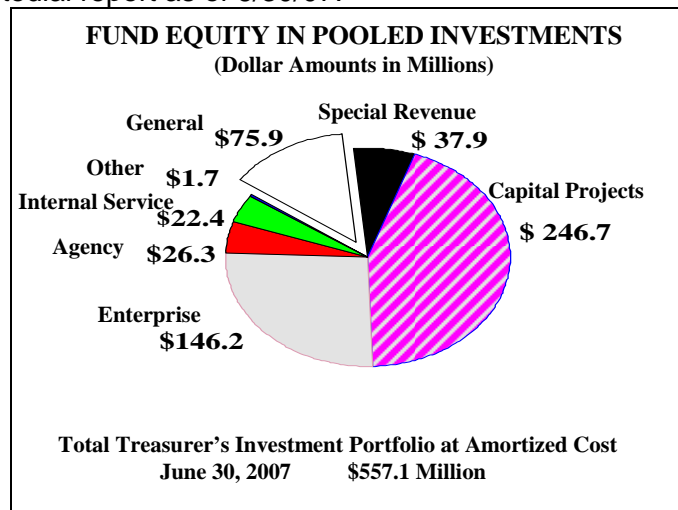
Accept and file report.

ITEM EXPLANATION:

The City's Investment Policy requires the City Treasurer to report to the City Council on a monthly basis the status of the City's pooled investment portfolio. A quarterly report is also required for the investments of bond proceeds held separately. The City's pooled investment portfolio as of the month ended June 30, 2007 is summarized below.

Pooled Investment Portfolio (Cash and Securities)		
	Current Month	Prior Month
Par Value	557,470,022	560,344,312
Cost of Investments	556,524,708	559,891,781
Amortized Cost (1)	557,099,175	559,947,406
Market Value (2)	553,618,075	556,493,330

- (1) The cost of investments adjusted for amortized premiums and discounts.
 (2) The amount at which the investments could be sold. Source of market values is Union Bank of California's custodial report as of 6/30/07.



FOR CITY CLERKS USE ONLY.

COUNCIL ACTION:	APPROVED <input type="checkbox"/>	CONTINUED TO DATE SPECIFIC <input type="checkbox"/>
	DENIED <input type="checkbox"/>	CONTINUED TO DATE UNKNOWN <input type="checkbox"/>
	CONTINUED <input type="checkbox"/>	RETURNED TO STAFF <input type="checkbox"/>
	WITHDRAWN <input type="checkbox"/>	OTHER – SEE MINUTES <input type="checkbox"/>
	AMENDED <input type="checkbox"/>	

PAGE 2 of AB REPORT ON CITY INVESTMENTS AS OF JUNE 30, 2007

Pooled Investment Interest Income			
	Current Month FYTD	Prior Month FYTD	Current Month Income
Cash Income Fiscal Year-to-Date *	21,757,520	20,555,194	1,202,326

*The cash income received is adjusted for any accrued interest purchased.

Pooled Investment Performance/M Measurement			
	Average Life (Years)	Average Yield To Maturity	Modified Duration
April 2007	1.94	4.50%	1.761
May 2007	1.93	4.44%	1.751
June 2007	1.87	4.47%	1.686

All pooled investments have been made in accordance with the City's Investment Policy adopted January 2, 1985 and last revised February 13, 2007. All investments were initially made in accordance with the City's Investment Policy. Events subsequent to the purchase might have resulted in some investments not being in compliance with the current policy. These events are typically a change in the City's Investment Policy, a change in the credit rating subsequent to a purchase, or a temporary reduction in total portfolio assets. See Exhibit 8 for details.

The pooled investment portfolio has the ability to meet the City's cash flow demands for the next six (6) months.

In summary, the City's investments of bond proceeds held separately as of the quarter ended June 2007 is as follows:

Investment Portfolio for Bond Proceeds		
	Current Quarter	Prior Quarter
Par Value	24,968,347	24,907,078
Cost	24,968,347	24,907,078

All investments of bond proceeds have been made in accordance with the City's Investment Policy and the trust indenture for each issue.

EXHIBITS FOR POOLED INVESTMENTS:

1. Investment Portfolio Breakdown By Amortized Cost, Market Value, Cash Income, and Average Yield
2. Investment Portfolio Breakdown Of Maturities
3. Yield Comparison Graph
4. Cumulative Cash Income Graph
5. Fourth Quarter Transactions
6. Detailed Investment Report
7. Fund Equity in Pooled Investments
8. Corporate Note and Commercial Paper Ratings
9. Percentage Weightings By Corporate Note Issuer

EXHIBIT FOR INVESTMENTS OF BOND PROCEEDS HELD SEPARATELY:

10. Detailed Investment Report – Quarterly Report

EXHIBIT FOR SUMMARY OF OUTSTANDING HOUSING LOANS:

11. Detail Of Outstanding Housing Loans – Quarterly Report

**CITY OF CARLSBAD INVESTMENT PORTFOLIO
AS OF JUNE 30, 2007**

BREAKDOWN BY AMORTIZED COST, MARKET VALUE, CASH INCOME, AND AVERAGE YIELD BY CLASS

<u>Class</u>	<u>AMORTIZED COST</u>		<u>MARKET VALUE</u>		<u>Cash Income Year to Date</u>	<u>AVERAGE YIELD</u>	
	<u>Current Month</u>	<u>Prior Month</u>	<u>Current Month</u>	<u>Prior Month</u>		<u>Current Month</u>	<u>Prior Month</u>
CD	504,092	504,092	504,092	504,092	22,145	4.69	4.69
FN	0	0	0	0	0	0.00	0.00
CP	0	0	0	0	0	0.00	0.00
TR	0	0	0	0	0	0.00	0.00
FA	457,129,751	460,084,130	454,216,500	457,105,004	17,631,394	4.35	4.32
CN	55,064,401	61,083,965	54,496,553	60,609,014	2,641,261	4.98	4.89
LAIF	35,982,000	36,677,505	35,982,000	36,677,505	1,341,430	5.24	5.23
CUSTODY	-	-	0	0	9,662	4.80	4.79
SWEEP	7,545,418	941,469	7,545,418	941,469	111,627	4.28	3.88
BANK ACCT	873,513	656,246	873,513	656,246	0	4.28	3.88
TOTALS	\$557,099,175	\$559,947,406	\$553,618,075	\$556,493,331	\$21,757,520	4.47%	4.44%

CD - Certificate of Deposit
FN - Federal Discount Notes
CP - Corporate Paper

TR - US Treasury
FA - Federal Agency
CN - Corporate Notes

LAIF - Local Agency Investment Fund
Custody - Union Bank of California Cash account
SWEEP - Wells Fargo Bank Overnight Cash account
Bank Account - Wells Fargo Bank Cash account

**CITY OF CARLSBAD INVESTMENT PORTFOLIO
AS OF JUNE 30, 2007**

BREAKDOWN OF MATURITIES BY CLASSIFICATION AND LENGTH OF TIME

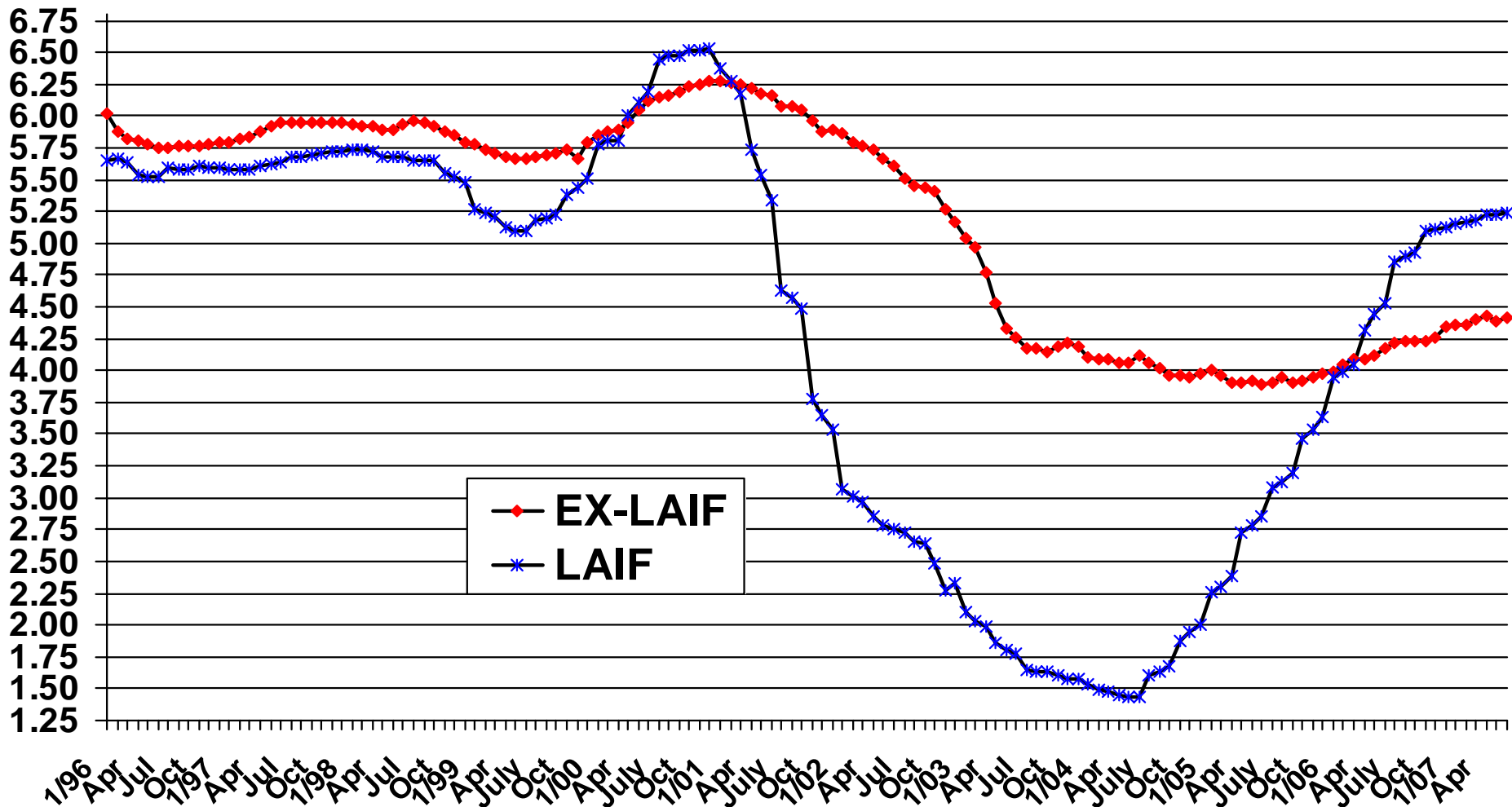
<u>CLASS</u>	<u>WITHIN 6 MONTHS</u>	<u>7 MONTHS TO 1 YEAR</u>	<u>1 TO 5 YEARS</u>	<u>TOTAL</u>	<u>% TOTAL</u>
CD	504,092	0	0	504,092	0.1%
FN	0	0	0	0	0.0%
CP	0	0	0	0	0.0%
TR	0	0	0	0	0.0%
FA	63,867,093	50,889,831	341,385,432	456,142,357	82.0%
CN	4,384,236	2,999,690	48,093,402	55,477,329	10.0% (2)
LAIF	35,982,000	0	0	35,982,000	6.5%
CUSTODY	0	0	0	0	0.0%
SWEEP	7,545,418	0	0	7,545,418	1.4%
BANK ACCT	873,513	0	0	873,513	0.2%
TOTALS	\$113,156,352 (1)	\$53,889,521 (1)	\$389,478,835	\$556,524,708	100.0%
% TOTALS	20.3%	9.7%	70.0%	100.0%	
Total within One Year		\$167,045,873 (1)			30.0%

POLICY: (1) Not less than \$115,000,000 to mature within one year. (2/3rds of current year operating budget of \$171,800,000.00
(2) Policy states that not more than 30% of portfolio is to be invested in corporate notes

YIELD COMPARISON

PORTFOLIO EX-LAIF VS. LAIF

JULY 1996 – JUNE 2007



Cumulative Cash Income

FY06-07

(July 06 - June 07)

